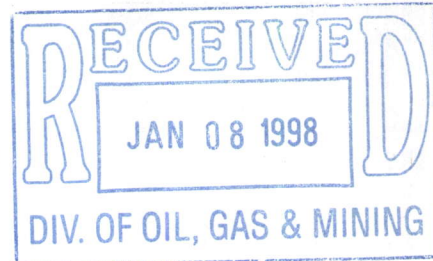


STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/1997 To (mo./yr.) 1/1998
2. DOGM File Number (Mine No): 510451033
3. Mine Name: Patented Min. Survey #6519 & State Leases ML45095 ML45470
4. Mineral(s) Mined (or permitted to mine): Mercury, gold and silver
5. Type of mine ☐ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected):  
All 1/4, 1/4, 1/4, Section 2, Township 2S, Range 7W Sub M  
1/4, 1/4, NE 1/4, Section 11, Township 2S, Range 7W  
1/4, 1/4, SE 1/4, Section 11, Township 2S, Range 7W
7. Name of Operator or Company: S. Bryce Montgomery
8. Permanent Street Address: 3512 So. 100 E.  
City, State, Zip: Beautiful Utah 84010  
Phone: 801-295-8592
9. Company Representative (or designated operator):  
Name: S. Bryce Montgomery  
Title: Geologist  
Business Address: 3512 So. 100 E.  
City, State, Zip: Beautiful Utah 84010  
Phone: 801-295-8592  
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☐ No ☒
2. If active, how much ore or mineral was mined? \_\_\_\_\_
3. If inactive, what year was the mine last active? Unknown

3. How much **additional acreage** was disturbed during the past year? 2/3 acre

4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

Continued restoration of old road in bottom of canyon, and completed short dugway branch to Grilling pad. All work was done on owned, patented Claims #6519.

5. How much acreage was **reclaimed** during the past year? 0

6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. What is the **total disturbed acreage** at years end? 3 2/3 acres

8. Briefly summarize any mining and/or reclamation plans for the upcoming year.

(1) Drill one or more exploration holes on developed pads; and conduct further geophysical surveys.  
(2) Continued restoration work on old road in canyon bottom.  
(3) Possibly commence adit construction.

**NOTE:** Section III., "Additional Information" applies only to **large mining operations**.

**III. Additional Information**

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

**IV. Signature Requirement**

**I hereby certify that the foregoing is true and correct.**

Name (Typed or Print): S. Bryce Montgomery

Title of Operator: Geologist

Signature of Operator: S. Bryce Montgomery

Date: January 7, 1998